



Via US Mail and Filed Electronically

July 26, 2007

Ms. Marlene Dortch
FCC Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Ms. Monica Desai
Media Bureau
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: FCC 07-32, MB 07-51

Dear Ms. Dortch and Ms. Desai:

I am writing on behalf of Access Media 3, Inc. to request that the FCC consider our comments and place this letter in the record of the NPRM FCC 07-32, MB 07-51 proceeding regarding exclusive contracts between cable service providers and Multi-Dwelling Units (MDUs). Access Media 3, based in the Chicagoland area, merged with MDI Access in early 2007 and has been providing high speed Internet, TV and voice services to MDUs since 2003. Access Media 3's ability to provide high quality "triple-play" services in direct competition with larger cable, Internet and telephone companies is due in large part to our ability to obtain exclusive contracts with property owners of MDUs. Eliminating such exclusive arrangements would significantly inhibit competition in this emerging area and ultimately hurt consumers.

Access Media 3 has 12 employees and provides service to over 7,000 units in the Chicagoland area. Our business is growing monthly but we cannot grow without the support of MDU owners. Our company is able to provide a flexible alternative to consumers by designing and implementing tailor-made solutions to MDU building managers, owners and associations. This allows residents of the MDUs to have a broader range of choices with more flexible terms than those offered by franchised cable companies, telephone service providers or Internet companies. Property Managers of MDUs throughout the Chicago metropolitan area have informed us that our ability to provide cable upgrades to their buildings in a timely and cost-effective manner is a much better alternative to the status quo. Unfortunately the status quo often involves, in our opinion, inadequately trained technicians, poor response times and one-size-fits-all products and services.



The FCC is well aware that it takes a significant amount of capital and infrastructure to provide high speed Internet, TV and voice services in any building and that MDUs have particular challenges. Small companies like Access Media 3 benefit from exclusive contracts with MDUs because the arrangement provides some assurance that our up-front investment can be recovered via the exclusive opportunity to provide services to an MDUs residents. Private property owners benefit by attracting the state-of-the-art technology and services that entrepreneurial companies like Access Media can provide for their residents.

Like the early days of telecommunications competition, new companies cannot invest in capital intensive cabling and electronics without some assurance that a revenue opportunity exists which will provide an adequate return on the investment. Our investors and lenders cannot support a business model in which we simply “build it and they will come.” They need to see an opportunity for a return on investment which cannot be undercut by large, temporary price reductions which established cable and telephone companies can offer – absent the protection of an exclusive contract.

Cable companies and large telephone companies can also offer large “door fees” to MDUs which is another way of paying to play. Small companies don’t have the ability to offer such large up front incentives, particularly when significant capital must still be invested to begin providing the services. The ability to have an exclusive contract with a building owner levels the playing field and allows competitive providers like Access Media to avoid large door fees and offer an alternative to residents of MDUs.

Property owners, Building Managers and Associations of MDUs know what they want for their residents and have the ability to choose to negotiate exclusive or non-exclusive contracts. This ability to freely contract with service providers should not be regulated by any government agency.

If companies like Access Media 3 are unable to secure exclusive contracts with building owners, we will be limited in our ability to provide our competitive services to the ultimate end users – the residents. While not every building owner will determine that an exclusive agreement is right for its MDU, the ability to consider an exclusive agreement should be a choice that they are able to make – not one the government makes for them.

New companies like Access Media 3 are able to expand, secure financing and grow organically by the revenue and stability an exclusive contract can provide. That said, building owners are able to terminate exclusive contracts if we don’t perform. The building owner always has a choice. We are asking that the FCC refrain from taking that choice away.



Consumers want and need a choice for their increasing and constantly evolving technology needs. Access Media 3 offer this choice to consumers and can continue to offer this choice only if it is allowed to compete directly with the mammoth franchised cable television companies and other Internet and telephone service providers. Exclusive contracts with MDUs are an important way to help us get our foot in the door and show consumers that we can provide a high quality product with improved customer service at cost-efficient prices. We can remain focused on customer satisfaction and provide flexible solutions because of the support exclusive contracts provide.

Consumers will make the final decision about whether they think companies like Access Media 3 are a truly satisfactory alternative to today's cable TV and telephone providers. We think consumers and the owners of the multi-dwelling units in which many consumers reside should be allowed to make that choice – without government intervention.

On behalf of Access Media 3 and similarly situated companies, we respectfully request that the FCC refrain from precluding the use of exclusive contracts in MDUs.

Please feel free to contact me directly if you have any questions or if I can provide additional information. I can be reached at 630.230.0555.

Sincerely,

A handwritten signature in dark ink that reads "Scott Rediger". The signature is written in a cursive, flowing style.

Scott Rediger
CEO